

2010

Social activity report



SHIMANO
www.shimano.com

SHIMANO INC.
Corporate Communications

3-77 Oimatsu-cho, Sakai-ku, Sakai, Osaka 590-8577, Japan
Phone: +81-72-223-3957
Fax: +81-72-223-6045

This booklet uses "lake papyrus" (paper made with reeds). A reed that grows around Nishinoko, an inner lake of Lake Biwa, helps keep the lake water clean from spring to winter, when the reed withers. "Lake papyrus" uses pulp made by recycling reed that needs to be mowed before withering each year. Producing one copy of this booklet is comparable to cleaning about 1,080 liters of water from Lake Biwa.

Published April 4, 2011. ©2011 SHIMANO INC. All rights reserved. Printed in Japan XBC IZM K-009

SHIMANO

About the Shimano Social Activity Report 2010 3

Enhancing Corporate Value 4

- Providing captivating products
- Developing human resources for Shimano
- Enhancing internal control

Creating Exhilarating Joy 8

- Bicycle Museum Cycle Center
- Fishing Cafe Project & ShimanoTV
- Life Creation Space "OVE"
- Other activities

Taking Care of the Environment 12

- Shimano Green Plan
- Initiatives for reducing environmental impacts
- Cutting reeds and their effective use
- Promoting bicycle commuting among Team Shimano members
- Other activities

Building Confidence 18

- Learning and thinking with children
- Local community activities
- Toward safe and enjoyable use of bicycles

Some Thoughts about the Social Activity Report 2010 22

The Team Shimano Philosophy 23

About the Shimano Social Activity Report 2010



2011, Shimano marks its 90th anniversary since its foundation as Shimano Iron Works in March 1921.

Shimano has always strived to produce attractive products, supported by many people who love cycling and fishing, our shareholders, and all our employees working at Team Shimano.

We believe that our mission and the reason for our existence is to contribute to people’s health and enjoyment by providing “captivating products,” including bicycle components, fishing tackle, and rowing-related equipment in the field of outdoor sports.

In the present age when the circumstances around us are undergoing significant change, our greatest value for society is connected to customer reliability and trust in our Company, as well as to the high quality and attractiveness of our various products and services.

In keeping with its founding spirit, Shimano has long devoted itself to its core business, with keen awareness of the responsibilities and roles that we must fulfill as a corporate citizen. For the next decade and beyond, we will continue to grow as a value creating company, thereby further contributing to society.

In light of the above perspective, Shimano is determined to stay committed to its unique social activities on a global basis in order to diligently accomplish its duties commensurate with its capabilities.

It is my sincere hope that this Social Activity Report will help deepen understanding of Shimano’s wide-ranging commitment to social responsibility.

Yozo Shimano
President, SHIMANO INC.

Enhancing Corporate Value

— Providing captivating products

We at Shimano have a basic philosophy for business activities, which is to create “captivating products” to society. We deliver bicycle components that are easy to use and comfortable for everyone, fishing tackle that realizes the fusion of technology and human touch, as well as a variety of sporting gear, including sportswear and shoes that make cycling and fishing even more enjoyable. By providing these products we hope to encourage the development of cultures that feature enriched cycling and fishing lifestyles.

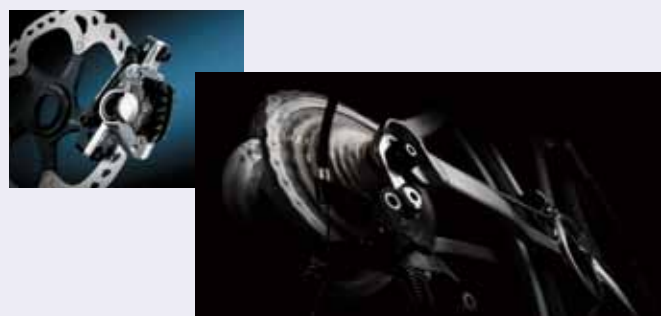
Bicycle component division

■ Components for electrically power-assisted bicycles (Shimano STePS)

Recent years have seen a globally expanding market of electrically power-assisted bicycles. In response, Shimano have unveiled a new component group for electrically power-assisted bicycles called Shimano STePS-Shimano Total Electric Power System. In 2011, Shimano STePS will be released in Europe, where the use of bicycles is widespread.

■ New XTR Series offering the highest-grade mountain bike components

The new XTR series debuted with thorough preparations as the highest-grade components for mountain bikes. The new Shimano XTR features a wide range of renewed products, including the rear 10-speed Dyna-Sys drive train system, which helps riders maximize their potential abilities. Incorporating innovative technologies that make it the benchmark for next-generation mountain bike components, the XTR series answers various needs of individual mountain bike riders.



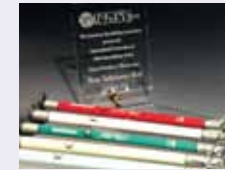
Fishing tackle division

■ Winning ICAST awards for 9 consecutive years

For nine consecutive years Shimano reels and rods have won awards at ICAST, the world's largest sport fishing trade show in the United States.

■ Winning awards at EFTTEX for 4 straight years

For the fourth consecutive year Shimano was honored with the top award for Best New Spinning Reel at the European Fishing Tackle Trade Exhibition (EFTTEX).



Products recognized with Best Seawater Rod award



Six products win awards at ICAST.



Best New Spinning Reel, STELLA FE



Rowing business

■ Technical support for international regattas organized by FISA (The International Federation of Rowing Association)

Last year we launched into the rowing business by releasing Shimano Rowing Dynamics (SRD). In response to the permission for SRD's use in international regattas, in 2010 Shimano began providing technical support at the international regattas organized by FISA.





Developing human resources for Shimano



Training/education programs

At its operation bases around the world, Shimano promotes programs to develop capable human resources to support the Company. A wide selection of courses are available, ranging from lessons in foreign languages, mainly English, the common language of Team Shimano, to technical training courses to learn about manufacturing and improving one's skill levels. Through these training/education programs, Shimano enables staff members to learn to sharpen thinking methodologies and expertise useful for their everyday activities.

Induction program for new Team Shimano members

■ Curriculum focused on experience and practice

The curriculum for new Shimano members provides classroom lectures and experience as well as practice-based training/education.



Cycling and fishing experiences give new members opportunities to learn the joy of Shimano products.



Team-building activities to learn the importance of teamwork.



Visiting a manufacturing site, the foundation of all Shimano's activities.

■ Sharing the Philosophies of Team Shimano worldwide

At overseas bases that conduct year-round recruitment, new Shimano members engage in training programs designed to share Shimano's history and corporate philosophy. This ensures that members anywhere in the world think and act under a common set of beliefs as members of Team Shimano.



Training for new Shimano members at Shimano Shanghai

Developing a global perspective *Since 2001*

■ Abilities learned on-site

Under the Shimano Leadership Development (SLD), aspiring staff members in Japan are sent to overseas dealers to obtain a broad spectrum of experience. This program is implemented with cooperation from bicycle dealers in various parts of the world. Dispatched trainees work at the overseas dealer-shops for three months, and through their on-site experience learn about the culture and work of each location.

■ Acceptance of overseas Team Shimano members

We accept Team Shimano members from overseas bases for training. Training programs for overseas members are held twice a year, where they learn about Team Shimano's work and product flow in various departments, as well as acquire techniques and knowledge. In the program, trainees visit sales sites where they can see products they have handled in their own countries being displayed and sold. This is a great opportunity for them to realize their own roles as members of Team Shimano.

■ Promoting language education

Of all Team Shimano members, those who speak Japanese account for about 10 percent. To ensure smooth communication, it is imperative that Shimano members master other languages. We offer language-training courses not only for English, Shimano's common language, but also for Chinese and other languages.



Experience at overseas worksites to obtain a broader perspective



Many Shimano members from around the world are invited to Japan



Enhancing internal control

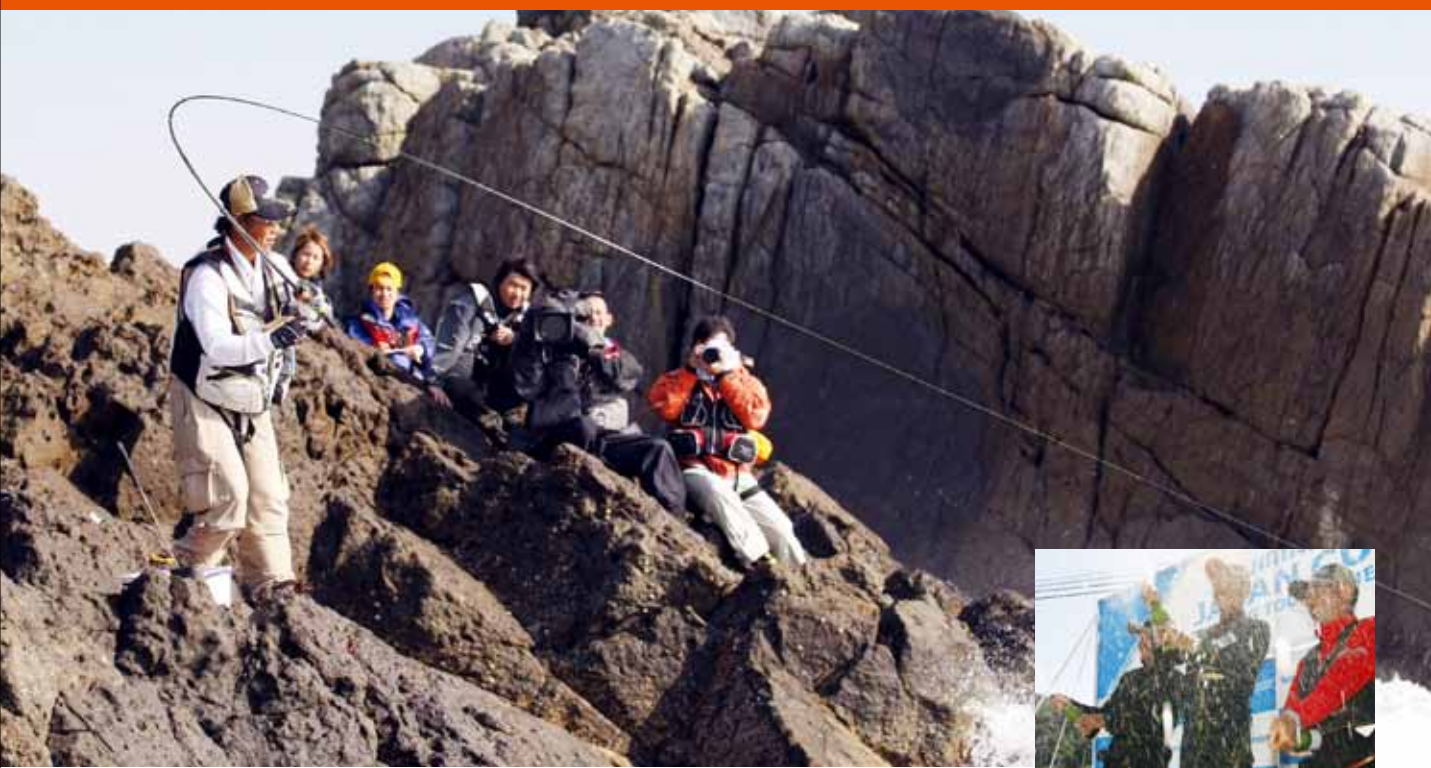
■ Internal control over financial reporting *Since 2006*

Japan's Financial Instruments and Exchange Law requires companies to assess internal control over their financial reporting and to submit internal control reports. Since 2007, Shimano has strived to develop its own internal control and assessment systems. In March 2010, we were able to submit a report proving the effectiveness of Shimano's internal control.



Creating Exhilarating Joy

Offering enjoyment and fun for everyone



One important activity of Shimano is to promote the joy of bicycle riding and fishing among many more people, by providing captivating products.

We implement various activities not only in Japan but around the world as well. For example, we organize events where people can witness the best performances of professional riders and top players.



Shimano Fest 2010 (Brazil)



Shimano Japan Cup 2010



Bicycle Museum Cycle Center

Since 1992



The Bicycle Museum Cycle Center (operated by the Shimano Cycle Development Center) opened in 1992 in Sakai City, where Shimano headquarters is located. Various activities are conducted here. The belief is that the museum is not only a place to showcase the history of bicycles but also a place to introduce and help create a lifelong interest in bicycles.



2nd floor exhibition hall, where visitors learn the history of bicycle evolution

Bicycle strolling and healthy cycling

Since 1997



The Bicycle Museum provides opportunities for both beginners and advanced cyclists to enjoy.



Class for beginning bicycle riders
Even those who have never ridden a bicycle can get careful instructions and learn to ride in one day.

Access: 10-minute walk from Mozu Station on the JR Hanwa Line

Address: 18-2 Daisen Nakamachi, Sakai-ku, Sakai City, Osaka

Painting Competition for Children

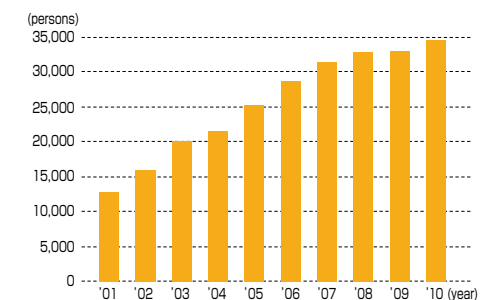
Since 1992



Drawing pictures of bicycles, a familiar item for children, helps develop their power of observation and imagination.

Ever since the opening of the Bicycle Museum, Shimano has continued to hold painting contests; inviting pictures drawn by elementary school students on various themes such as "Dream Bicycle" and "Scenery with People and Bicycles." This event has now grown into a large-scale picture contest attracting more than 30,000 entries.

Number of people participating in the Painting Competition for Children



During the contest's entry period, admission is free. Tables are set up inside the museum for drawing pictures.



Pictures from past contests are displayed on the walls of the museum's 3rd floor.



Fishing Cafe Project & ShimanoTV



Fishing channel, Shimano TV
(in Japanese and Chinese only)
<http://tv.shimano.co.jp/>

Shimano started its unique project called "Fishing Cafe" in 2000 in the hope of highlighting the profound attractiveness and joy of fishing. Specifically, we promote fishing from both cultural and social perspectives through various media, including magazines, satellite TV programs, and websites. Selected themes vary widely, covering such areas as literature, art, society, education, nature and the environment. The Fishing Cafe Project aims to encourage many more people, even those whose interests are outside sport fishing, to learn about the exciting world of fishing.

We have also improved Shimano TV, a fishing channel that offers Web contents anytime, anywhere. Shimano TV distributes various must-see programs for fishing lovers, ranging from fishing programs broadcast on digital terrestrial TV to special contents that cannot be found on other channels.



Life Creation Space "OVE"

Since 2006



A variety of tools that arouse people's interests



OVE proposes new ways of enjoying bicycle strolling with certain themes. While touring on a bicycle, you can enjoy seasonal landscape changes, sample various local foods, and visit various buildings and historical spots.



Cafe menu selection prepared with carefully selected organic ingredients that are healthy and eco-friendly.

As a source of information about new bicycle culture, OVE engages in various activities to help people lead a relaxed lifestyle enriched with bicycles.

Access: 8-minute walk from Omotesando Station or Gaienmae Station on the Tokyo Metro
Ginza Line/Hanzomon Line

Address: 3-4-8 Tre Di Casa 1F, Minami Aoyama Minato-ku Tokyo

Other activities

Organizing and supporting various events



Shimano Cup (China)



Shimano Cup
Hera Fishing Tournament (China)



Shimano Suzuka Road Race



Family Fun Bike (Indonesia)

Shimano organizes and supports cycling and fishing events in various parts of the world.

Cycling events organized by Shimano



Shimano Suzuka Road Race (Japan)
since 1984



Shimano Bikers Festival (China)
since 2003



Shimano Short Track (Brazil)
since 2009



Shimano Bikers Festival (Japan)
since 1991



Shimano Cup (China)
since 2009



Family Fun Bike (Indonesia)
since 2007

Fishing events organized by Shimano



Shimano Japan Cup (Japan)
since 1984



Shimano Cup
Hera Fishing Tournament (China)
since 2002



Shimano Rure Workshop (China)
since 2010



Shimano Cup Hera Fishing
Tournament in South Korea (Korea)
since 2008



Fun Fishing (Indonesia)
since 2007



Shimano Rure Workshop (China)

Cycling events supported by Shimano



Highland Fling
MTB Marathon Championship (Australia)



Shop-in-Shop Racing (China)
since 2003

Support and cooperation for UCI



As an official partner, Shimano has supported the UCI (Union Cycliste Internationale) since 1999, providing assistance in promoting bicycle races and cycling sports culture around the world. since 1999

Racing Team



Through our racing teams, Shimano Racing and Skil-Shimano, we train young Asian riders and create opportunities for them to participate in the world's top-level races to fulfill their dreams. since 1972

Dispatch of technical support cars



Shimano dispatches technical support cars and staff to wide-ranging cycling events. There are a variety of events including beginner and top-level professional events. We provide technical support giving first priority to ensuring that all participants can enjoy the events safely.

Construction of bicycle tracks in natural parks



Shimano American and Shimano Canada support activities to verify that bicycle tracks that have been appropriately built based on scientific data are shown to reduce the negative impacts of bicycle use on the natural environment.



Appropriate use of fishery resources



Shimano American and Shimano Canada work together with many fishermen's associations and government delegates to establish fishery management policies. We provide cooperation in preparing practical measures aimed to realize the science-based use of fishery resources.



Support and cooperation for Ironman



Shimano supports triathlons as an official sponsor of Ironman events organized by the World Triathlon Corporation (WTC). since 2010

Taking Care of the Environment

- Cooperation in taking care of the natural, living and product-use environments



In addition to diligently pursuing technological improvement and innovation to reduce environmental impacts that could arise in the process of product manufacturing, we actively participate in field cleaning and environmental improvement activities.



Since 2004

We have formulated the Shimano Green Plan (SGP) as guidelines for producing products with less environmental impact, while ensuring eco-friendliness even during our production processes. All Shimano members work hard to observe these guidelines.

- To further enhance effectiveness

Since the SGP went into force in 2004, it has been reviewed every year, and revised to version 7 in fiscal 2009. Our efforts for fiscal 2010 focused on further enhancing the effectiveness of guidelines improved through the revisions made so far.

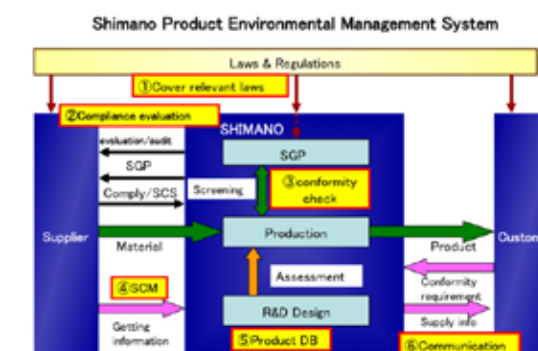
Specifically, we worked on strengthening cooperation and communication with partner companies by using Self-check Sheets. We requested respective partner companies to evaluate themselves to see if they appropriately complied with each item of Shimano requirements listed on the sheets, and then to submit the completed sheets to us. After analyzing and assessing the submitted sheets, we provided careful advice to partner companies by such means as suggesting ideas helpful in making improvements.

Some 1,500 partner companies worldwide, including 700 companies in Japan, participate in this self-checking program. We also set up the SGP Committee, with the aim of reducing variations in standards and evaluations between factories. The SGP Committee has met several times, resulting in enhanced consistency among factories.

- Compliance with new laws and regulations

In recent years, laws and regulations have been strengthened to control not only hazardous substances but also substances that could be hazardous. It has therefore become our new tasks to provide relevant information on these substances and to prove their safety.

To produce products that our customers can use with peace of mind, based on the SGP Shimano will continue working to establish a production system that is even safer but has less environmental impact. At the same time, we will redouble our efforts to further strengthen coordination with partner companies to ensure that the SGP is appropriately reflected in our production processes, and to enhance the SGP's effectiveness.



Based on SGP rules, various improvements were added to make our product environmental management system even more effective.



Initiatives for local environmental improvement



Yamato River Cleanup Campaign

Since **2001**

Twice a year, we conduct a large-scale campaign to clean up the Yamato River, together with residents of Sakai City, where Shimano headquarters is located. This year, 400 Team Shimano members participated as volunteers in this campaign.



Effective use of reeds

Some Shimano brochures and name cards use paper made with reed fiber. By establishing a cycle of planting and cutting reeds and then using paper made of reeds, we aim to reduce environmental impacts. (This booklet uses "lake papyrus," paper mixed with reeds grown in Lake Biwa.)



Cooperation in promoting environmental education

Team Shimano members visit elementary schools in Sakai City to give a class on how to make paper by recycling milk cartons. Through such a series of hands-on experience programs, including the Yamato River Cleanup Campaign, Shimano helps promote environmental education for children.



Paper-making class highlighting milk carton recycling, where children learn the importance of recycling and environmental resources.



Million Tree Project

In April 2010, the Million Tree Project was carried out, in which members of Shimano Kunshan and Shimano Tianjin planted trees in desert areas in Mongolia. The planted trees were reported to be growing steadily thanks to support from local residents.



April 2010



September 2010



Initiatives for reducing environmental impacts

Full-fledged energy conservation measures Since **2006**

The Law Concerning the Rational Use of Energy (the "Energy Saving" Law) was revised and went into full effect on April 1, 2010. In response to the revision, we have established a new system by setting up the Energy Conservation Promotion Working Group, consisting of members from all operation sites in Japan, in place of its predecessor the Energy Conservation Working Group, which mainly comprised members from manufacturing divisions. Under the new system, we have prepared a "Control Standards" sheet that describes procedures for reducing waste energy consumption at all operation sites in Japan, to constantly make improvements to enable effective energy management.

This fiscal year, individual divisions at all operation sites in Japan also started initiatives to visualize energy consumption by setting their own numerical targets for CO₂ emissions reduction. In the future, Shimano will continue working to raise awareness and implement measures to reduce CO₂ emissions, toward the realization of a low-carbon society.



Wastewater treatment plant introduced in 1997 renders water used for production as harmless and returns it to the river. (Shimano Kunshan:China)

since **1997**



Activities to reduce CO₂ generated during product delivery, with cooperation from dealers in placing combined orders. (Shimano Europe:The Netherlands)



Changing mercury lamps to energy-saving ones achieves 58 t of CO₂ reduction per year. (Shimano Shimonoseki Factory:Japan)

since **2006**



Regular noise monitoring helps protect workers' hearing and reduce noise for neighborhood residents. (Shimano Kunshan:China)

since **1999**

Anti-noise measures earnestly under way

Shimano headquarters has taken measures to reduce press noise, aiming to reduce the noise level to 85 dB, and has achieved this target. *

*Noise level less than 85 dB is categorized as control level 1, where earplugs are not required.

Before taking measures	95.3
After taking measures	81.8

(Unit: dB)



Noise-shielding walls built to enclose equipment as anti-noise measures. (Shimano headquarters:Japan)

Promoting bicycle commuting among Team Shimano members



Bike-to-Work

Since **1998**

In conjunction with Bike to Work Week, a week-long celebration of commuter cycling held nationwide in the United States, Shimano American encourages staff members to commute by bicycle.



More and more Team Shimano members start commuting by bicycle after joining this event.



Bicycling parking lot installed for employees of Shimano American



Certified as an Excellent Eco-Commuting Business Site

Shimano headquarters has been certified as an "Excellent Eco-Commuting Business Site" by the Foundation for Promoting Personal Mobility and Ecological Transportation for our efforts to promote bicycle commuting. As an Excellent Eco-Commuting Business Site, we have included in our plan the target of reducing annual CO₂ emissions from private car commuting by 1% from the previous year (fiscal 2009). In 2010, we succeeded in reducing CO₂ emissions by 44,804 kg, about seven times more than our target of 6,608 kg. We will continue to actively work to reduce environmental impact in fiscal 2011.



Staff members are encouraged to commute by bicycle by offering a bicycle commuting allowance, etc.



Bicycle commuter-friendly facilities, such as a bicycling parking lot with bicycle pumps and maintenance tools available, a change room, and shower room.



A bicycle parking lot for guests is planned for installation in 2011.

Other activities

Providing Live Release Boats



Shimano offered a special boat that enables more reliable catch-and-release in fishing tournaments, and a weigh-in system, to a fishing tournament held in Canada. *since 1996*

Osaka Environmental Award



Shimano was awarded the Encouragement Prize of the Osaka Environmental Award, by Osaka Prefecture, for our efforts to establish a system to produce products with less environmental impact, and for our river protection activities, including river cleaning and reed growing.

Earth Day Activities



Shimano Kunshan members pick up trash on nearby roads, fields and bushes, under the motto "Defending the Earth and Humankind." *since 2006*

Separate waste collection



Since 1999, each office and factory collects recyclable waste. *since 1999*

Beach Cleanup Campaign



In Japan, Shimano joined the cleanup activity at Sennan Satoumi Park, in agreement with the objective of the International Beach Cleanup Campaign, which aims to reduce marine pollution by reducing waste at its source. During the cleanup, we keep track of the variety and amount of garbage collected. *since 2003*



In the United States, Team Shimano members take part in an activity to clean up Bolsa Chica Beach in California. *since 2003*

Shimano Cleanup Project



Under the slogan "What we can do for our beloved fields," we promote a project to clean up fishing spots. This project is supported by participants of Shimano-organized events as well as the general population. Together with these supporters, we work on the cleanup activity. *since 2003*

Website: <http://shimano.asa-pri.net/> (in Japanese)

Product repair and after-service support



Shimano believes that ensuring long-term use of our products will help reduce environmental impacts. We have therefore established a system that enables customers to enjoy comfortable, long-term use of our products, by distributing spare/repair parts, holding repair and maintenance workshops for dealers, and providing after-sales support through customer service sections.



Cleaning and tree-planting activities on Mt. Pulai (Shimano Malaysia)



Repair and maintenance workshop for dealers (Shimano Latin America : Brazil)

Building Confidence

Participating and cooperating in local community activities as a responsible corporate citizen

Teaching about bicycles and cycling in kindergarden (Shimano Poland)



As a corporate citizen,
Team Shimano seeks to communicate with
local communities and strive for co-existence and
co-prosperity with them.
As a member of the local community
in which we are based,
Shimano is committed to rewarding the region.



Cooperation for STAMP (sports education instruction program)
(Singapore)



Learning and thinking with children



After explanation on the assignment, children try to identify where problems exist, a process that helps develop their ability to think.



Children developing their communication skills through presentations regarding the assigned theme.

Career education at elementary schools *Since 2005*

The Career Education Project is under way, aimed at developing children's abilities to think and live as members of society. Since 2005, Shimano has cooperated in this project by dispatching members as lecturers to local elementary schools. During a career education class, children are assigned a theme on bicycles, and work together to design a plan and make proposals. In the problem-solving process, they develop abilities to think logically, act to gather information for decision-making, decide optimal solutions, and work in cooperation with others.



A Shimano instructor offers children cycling world records and other bicycle-related info, enabling them to discover the bicycle's potentials, the lesson theme.



To teach the various devices designed for specific purposes, a recent model is used as a teaching aide.

Results in 2010

elementary school	Theme
Sakai municipal NISHITOKI elementary school	The kind of Bicycle We've Always Wanted
Sakai municipal DAISEN elementary school	
Sakai municipal OIZUMI elementary school	
Sakai municipal YASHIMONISHI elementary school	Town Development Making Use of Bicycle Rental

Local community activities

Cycling School in kindergarden(Shimano Poland)

Semiannual visit to kindergartens, aiming to teach children traffic manners and the joy of communing with nature.



Shimano Poland

Environmental education activities at elementary schools

Visited seven elementary schools to conduct environmental education support and tree-planting activities, thereby helping children develop environmental awareness.



Shimano Malaysia

Donations for children's homes

Visited and donated to several children's homes.

Since 2007



Shimano Batam:Indonesia

Donations for senior citizen homes

Donated cold weather protection gear and healthcare items for senior citizen homes, according to the traditional practice of the Chung Yeung Festival, on which the elderly is respected.



Shimano Kunshan:China

Floods recovery donation

Donated daily living necessities and adult diapers to support victims of the torrential rains that hit southern Czech Republic in June 2009.



Shimano Czech Republic

Donations for flood victims

Pearl Izumi GmbH (Germany), a Shimano overseas affiliate, made donations to Deutschland Hilft e.V., an organization supporting flood victims in Pakistan.

Donation for Children's association

Since 2008, Shimano France has made donations for a child advocacy association.

Blood donations to local hospitals

Team Shimano members have donated blood to our local communities around the world.

Since 1996



Shimano Batam:Indonesia

Since 1995



Shimano Singapore

Since 1997



Shimano Kunshan:China

Organizes Cycle Academy



Shimano Singapore

Cycling events organized for children of local elementary and junior high schools, to teach them safe bicycle riding and cycling manners.

Toward safe and enjoyable use of bicycles



Dispatching instructors to Wielerschool Since 2008

Wielerschool aims to improve children's cycling skills, develop an environment in which people can enjoy cycling sports more joyfully and comfortably, increase the number of sports cyclists, and train world-class cyclists. Its scope of activities stretches across Japan. In 2010, Wielerschool was held at more than 30 venues, with 2,000 children participating. We dispatch members of Shimano Racing Team to Wielerschool as instructors who teach participants cycling techniques and traffic manners.



Organizes Cycle Academy Since 2005

Shimano holds its Cycle Academy, widely inviting participation from men and women of all ages, in order to impart the joy of cycle sports and safe riding. In the Academy, active Shimano Racing Team riders serve as instructors.



One-on-one instruction on riding position and pedaling

Cooperation for STAMP activities Since 2009

In 2010, Shimano Singapore carried out STAMP (sports education instruction program) activities at Shuqun and Hong Kah Junior High Schools. This program is designed to provide students with basic knowledge of bicycles, their maintenance methods, as well as knowledge and manners for safe bicycle riding. Also in October that year, the government concerned presented Shimano Singapore with a letter of commendation in recognition of its activities.



Support for 「Share the Road Tour」and 「Pedal for Protest」

Shimano Australia provided support for two events: the Share the Road Tour and the HostPlus Pedal for Prostate. The former event aims to reduce the incidences of death and injury caused by the interaction of cyclists and other road users. The latter is intended to increase awareness of prostate cancer and promote early detection of the disease.



Since 2009

Some Thoughts about the Social Activity Report 2010

First of all, I would like to extend my warmest congratulations to SHIMANO INC. and its subsidiaries/affiliates on the 90th anniversary of the Company's founding.

Enterprises operate based on the premise of being a "going concern," but it is not easy to stay in business and continue functioning as an organization. I would like to highly value Shimano in that, since early on, the Company has implemented corporate social responsibility (CSR) management that promotes health and happiness of people, through production of bicycle components, fishing tackle, and other products. Basic CSR for manufacturers lies in supplying products that meet both market needs and social demands. Such "captivating products" have created values for users, and have continued winning support from people around the world.

The President's message at the beginning of the Social Activity Report 2010 states that "our greatest value for society is connected to customer reliability and trust in our Company." Philip Kotler, a renowned figure in the world of marketing, has proposed the stages of marketing's evolution: Marketing 1.0 is considered to be the era of product-centric marketing, Marketing 2.0 is consumer-centric marketing, and we are now entering Marketing 3.0, the era of social, values-driven marketing. Shimano strives to offer hopes and solutions for consumers who have a feeling of anxiety, and impress them at a higher level. Shimano creates values with the purpose of making the world a better "place." This intention is clearly shown in the President's message, reflecting Shimano's foresighted stance.

Shimano's basic attitude is to continue working globally and steadily to accomplish its duties commensurate with its capabilities. Such activities are introduced in this Report in all the following four phases: Enhancing Corporate Value, Creating Exhilarating Joy, Taking Care of the Environment, and Building Confidence. A broad range of efforts are under way around the world, from product manufacturing, human resource development and various events, to corporate citizen activities. I can highly evaluate Shimano's diligent and continuous activities.

Concerning products, the Company released Shimano STePS series, a new component group for electrically power-assisted bicycles, in the European market, where the use of bicycles has been widespread. The new XTR Series components for mountain bicycles offer the highest-grade technologies, with which Shimano has helped realize the dreams of bicycle riders. In the fishing tackle division, Shimano reels and rods have won awards at ICAST for nine consecutive years, and Shimano was honored with the top award at the EFTTEX for the fourth consecutive year. It can be said that these awards are remarkable achievements that enliven the Company's 90th anniversary. Also in the rowing business, with permission for the use of Shimano Rowing Dynamics (SRD) in international competitions, Shimano began providing technical support at world rowing championships. In this way, Shimano's strategic foresight and technological capabilities have promoted its brand mission, bringing about changes to Shimano users as well.

Notably, Team Shimano places great emphasis on human resource development. In particular, it is well known that Shimano, with a high percentage of foreign employees, has specified English as its common language since early on, and focused on training employees to master English. Recently, some major Japanese companies have begun designating English as their common language. In this regard, Shimano is a pioneering company. Shimano has also carried out programs to improve the on-site abilities of Japanese staff members through exchanges with overseas counterparts and experience in working at overseas dealers. These programs will be highly effective in strengthening the unity of Team Shimano. Furthermore, Shimano has worked to make the future world an even better "place" by nurturing the next generation, through programs to promote children's education and organize events for children around the world. Such efforts should be highly commendable from a long-term perspective.

As a future task, it is hoped that Shimano clearly discloses how the Company implements the PDCA (Plan, Do, Check, Act) cycle in order to judge the appropriateness of its CSR activities. If the major purposes, targets and results of activities can be indicated with numerical values, it would make the Report more convincing and appealing. Shimano can further improve its transparency and brand value by specifically indicating, for example, the number of participants, evaluations made by local communities, and the proportion of Japanese and foreign employees working in respective companies affiliated with Shimano.

This also holds true for measures that Shimano has taken to protect the natural environment. To further increase the effectiveness of guidelines improved through revisions to the Shimano Green Plan (SGP), the Company has also worked on strengthening cooperation and communication with partner companies. Along with the results of these activities, it would be better if the Report had numerically indicated also how much CO₂ emissions were reduced. I also recommend that this Social Activity Report provide an outline of the internal control report, which is required by Japan's Financial Instruments and Exchange Law, given the control report's importance in CSR activities.

The Social Activity Report 2010 is released in Japanese as well as English and Chinese. I consider this to be preferable and helpful for Shimano, as a global brand, in gaining greater trust from people around the world.

The world today faces many social problems, including poverty, conflicts and environmental destruction. In recent years, there have been increasing calls for solutions to these problems, requiring enterprises to play major roles in problem-solving efforts. I sincerely expect that Team Shimano, which is working globally, will continue and further develop its value-creating CSR management, in view of Shimano's 100th anniversary.



Toshihiko Fujie

Professor, Chiba University of Commerce
Graduate School of Chiba University of Commerce
Vice Chairman, Japan Business Management Association

The Team Shimano Philosophy

Shimano conducts business activities all over the world, with production and sales bases in 22 countries and regions. Adhering to common principles, we at Shimano organize all of our staff around the world as "Team Shimano" to engage in activities with common goals and a common process.

Mission Statement

To promote health and happiness through the enjoyment of nature and the world around us.

[Business Policy]

- We strive to provide quality products and services that are reliable and trustworthy.
- We pledge to continually increase our corporate value and to ensure corporate management worthy of the trust placed in us.
- We strive to provide a fair and vibrant work environment where all can share in the pleasure and satisfaction that comes with achievement.
- We pledge to be a good corporate citizen by preserving the environment and contributing to the prosperity of our community.

[Team Shimano Guiding Principles]

- To inspire ourselves to think creatively and to strive for continuous self-improvement.
- To continually improve our technical skills in order to meet the challenges of our dreams.
- To achieve our objectives through innovation and responsiveness to the challenges we face.